

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6759**

**BILL NUMBER:** SB 387

**NOTE PREPARED:** Feb 4, 2014

**BILL AMENDED:** Feb 3, 2014

**SUBJECT:** Department of Homeland Security.

**FIRST AUTHOR:** Sen. Wyss

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** *Disbursement of Federal and State Funds-* The bill eliminates the designation of the Division of Planning and Assessment as the division within the Indiana Department of Homeland Security that disburses federal and state homeland security funds to the state and local governments.

*Authority to Regulate Radioactive Materials-* The bill transfers from the State Department of Health (ISDH) to the Indiana Department of Homeland Security the authority to regulate radioactive materials.

*Vice Chair of FPBSC-* The bill requires the Fire Prevention and Building Safety Commission (FPBSC) to elect one of its members as vice chair of the FPBSC and provides that, in the absence of the chair, the vice chair shall perform the duties of the chair.

*Fire Safety and Building Code Removal-* The bill removes, from the law requiring the FPBSC to adopt a statewide code of fire safety laws, certain language pertaining to a previous statewide code of fire safety and building laws. The bill repeals superseded provisions.

**Effective Date:** July 1, 2014; January 1, 2015; July 1, 2015.

**Explanation of State Expenditures:** *Disbursement of Federal and State Funds-* This provision would give the discretion to the Homeland Security Executive Director to place the management of grants within the agency as deemed appropriate. Assuming no new personnel are needed, it is likely that the Executive Director would be able to reassign grant management within the existing resources of the agency. The bill specifies that this provision has an effective date of July 1, 2014.

*Authority to Regulate Radioactive Materials-* The bill codifies the existing regulation structure of nuclear and radioactive materials by the state. There is a current memorandum of understanding (MOU) in place between Homeland Security and the ISDH for Homeland Security to regulate radioactive materials that are not affiliated with use for medical purposes on human beings. The ISDH continues to regulate radioactive materials used for medical purposes, such as hospital radiology equipment.

Included in the MOU was the transfer of two ISDH positions plus certain equipment used in radioactive materials regulation to Homeland Security. Total funding provided in the MOU for Homeland Security to operate the positions is approximately \$150,000. Homeland Security was to assume the salary funding of one of the two positions beginning July 1, 2011. Additionally, the ISDH transferred their Nuclear Regulatory Commission license to Homeland Security.

Homeland Security is likely to adopt rules to govern the program, which may require some additional staff time. The bill specifies that this provision has an effective date of January 1, 2015.

*Vice Chair of FPBSC-* This provision would not have any impact on FPBSC expenditures. The bill specifies that this provision has an effective date of July 1, 2015.

*Fire Safety and Building Code Removal-* According to Homeland Security, this code section is obsolete and no longer necessary. The removal of the obsolete code should not have an impact on state expenditures. The bill specifies that this provision has an effective date of July 1, 2015.

**Explanation of State Revenues:** *Authority to Regulate Radioactive Materials-* Currently, the ISDH is authorized by law to charge a \$250 fee on a proper entity to possess radioactive or nuclear materials that produce enough radiation to cause hazard or injury to health, life, or property. The ISDH does not currently collect this fee from licensed entities. Therefore, the removal of this fee by the bill would not have an impact on state revenues. The bill would give Homeland Security the option to adopt rules including a fee to license radioactive materials.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Homeland Security, State Department of Health.

**Local Agencies Affected:**

**Information Sources:** Mara Snyder, Director Legal and Code Services, Department of Homeland Security, 317-233-5341.

**Fiscal Analyst:** Chris Baker, 317-232-9851.